

AMENDATORY SECTION:

WAC 230-08-010 Monthly records. Every person or organization licensed to operate any gambling activity shall maintain permanent monthly records of all financial transactions directly or indirectly related to gambling activities. Each record shall include, but not necessarily be limited to, all details of the following:

Compliance with other rules.

(1) All financial transactions completed by the licensee and contain enough detail to determine compliance with the requirements of WAC 230-04-024, 230-04-080, ~~and~~ 230-08-122, and 230-40-821;

Activities to be recorded separately and within thirty days - exception.

(2) Each licensed activity shall be recorded separately and include all transactions occurring during a calendar month. These records shall be complete in every detail and available for audit or inspection by agents of the commission or other law enforcement personnel no later than thirty days following the end of each month: Provided, That businesses licensed to operate punch boards and pull-tabs as commercial stimulants shall complete monthly records no later than fifteen days following the end of each month and such shall be available for audit or inspection the next day;

Records required for all licensees.

- (3) The gross gambling receipts from the conduct of each of the activities licensed;
- (4) Full details on all expenses related to each of the activities licensed;
- (5) The total cost of all prizes paid out for each of the activities licensed;

Charitable and nonprofit records.

(6) With respect to those organizations licensed as qualified bona fide charitable or nonprofit organizations, except agricultural fairs, records shall clearly show in detail how the proceeds from each licensed activity obtained by the licensee were used or disbursed by that licensee. These records shall provide an audit trail satisfactory to allow verification that the funds were used for the organization's purpose(s). These records will include, but not be limited to, canceled checks for the subject disbursements;

Commercial stimulant records.

(7) With respect to commercial stimulant licensees, records shall include at least the following details:

- (a) Gross sales of food and drink for consumption on their licensed premises;
- (b) Gross sales of food and drink for consumption off the licensed premises; and
- (c) Gross sales from all other business activities occurring on the licensed premises.

Punch board and pull-tab games removed from play.

(8) In addition to any other requirement set forth in these rules, licensees for the operation of punch boards and pull-tabs shall be required to prepare a detailed monthly record for punch boards and pull-tab series removed from play during that month. This detailed monthly record shall be recorded in a standard format prescribed by the commission: Provided, That punch board and pull-tab monthly records may be stored in computer data bases if:

(a) Computer data base records are not the primary storage medium and all original input control documents supporting data maintained in computer data bases are retained by the licensee;

(b) A "hard copy" report organizing the data maintained in the computer data base is generated for each month. This report must be completed and available for review no later than thirty days following the end of the month;

(c) An up-to-date "hard copy" report is provided within three days upon request of commission agents, law enforcement personnel, or local tax authorities;

(d) Reports generated from the computer data base provide all data required by subsection (9) of this section; and

(e) Reports generated from the computer data base organize the required data in an order that approximates the standard format and does not impede audit.

Disclosing punch board/pull-tab information.

(9) Monthly records for punch boards and pull-tabs shall disclose for each punch board and pull-tab series the following information:

(a) The name of the punch board or pull-tab series;

(b) The Washington state identification and inspection services stamp number recorded by attaching a records entry label: Provided, That in lieu of the records entry label, licensees may use a facsimile of the bar coded Washington state identification and inspection services stamp number which is generated by a printer interfaced with a computer data base, if the following standards and procedures are followed:

(i) The Washington state identification and inspection services stamp number must be electronically input into the data base by scanning the stamp with a bar code reader;

(ii) Records must be printed on white paper. Facsimiles of the bar coded Washington state identification and inspection stamp numbers must be at least one-quarter inch in height with a "quiet zone" on at least one-quarter inch of each side of the bar code;

(iii) Bar code facsimiles must be code "interleaved two of five" (USS-12/5) with a readability rate of at least 99.0% with a maximum of three passes with commission bar code reading equipment. Each licensee will be responsible for the accuracy of printouts and ensuring that bar codes are electronically readable. It is recommended that specifications of a printer be reviewed for capability to meet minimum standards prior to purchase or lease and that the printer be equipped with a serviceable ribbon.

(c) The date removed from play;

(d) The total number of tabs in each pull-tab series or the total number of punches in each punch board;

(e) The number of pull-tabs or punches remaining after removal from play;

- (f) The number of pull-tabs or punches played from the pull-tab series or punch board;
- (g) The cost to the players to purchase one pull-tab or one punch;
- (h) The gross gambling receipts as defined in WAC 230-02-110;
- (i) The total prizes paid, including both cash and merchandise (calculated by the cost to the licensee) prizes;
- (j) The net gambling receipts (gross gambling receipts less total prizes paid);
- (k) The cash over or short determined by:
 - (i) Subtracting actual cash from net gambling receipts for punch boards and pull-tabs which award cash prizes; and
 - (ii) Subtracting actual cash from gross gambling receipts for punch boards and pull-tabs which award merchandise prizes.
- (l) The actual cash received from the operation of each pull-tab series or punch board: Provided, That when more than one series of pull-tabs is sold from a single dispensing device and the dispensing device is equipped with recording devices or meters which provide an accounting of the number of tabs dispensed from each individual series, the actual cash received may be computed by use of the meter readings. If this method is used to account for actual cash, all series in each dispensing device shall be played out at least once each calendar quarter and the combined cash over or short calculated for all series played from each dispensing device during the period by reconciling the total cash removed from the dispensing device to the total tabs sold from that dispensing device. The combined cash over or short shall be recorded as required by (k) of this subsection;
- (m) With written commission approval, licensees operating pull-tabs to stimulate food and drink sales may record (k) and (l) of this subsection in total on a daily, weekly, or monthly basis, if their recordkeeping procedures meet commission standards.

Supporting documents.

- (10) Copies of all additional financial data which support tax reports to any and all governmental agencies; and

Records to be maintained for three years.

- (11) Each of these records shall be maintained by the licensee for a period of not less than three years from the end of the fiscal year for which the record is kept unless released by the commission from this requirement as to any particular record or records.